

17/08/18

Registered Number: SC019414 (Scotland)
Scottish Charity Number: SC010218

Report of the Directors and
Unaudited Financial Statements
for the year to 31 August 2018
for
The Beef Shorthorn Cattle Society
a company limited by guarantee

The Beef Shorthorn Cattle Society
a company limited by guarantee
Company Number SC019414

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The Beef Shorthorn Cattle Society
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Report of the Directors

The Directors present their annual report for the year ended 31 August 2018.

OBJECTIVES AND ACTIVITIES

The objectives of the Society are:

- (1) To maintain unimpaired the purity of the breed of cattle known as Shorthorn Cattle, the pedigrees of which are in use to be registered in the herd book known as Coates Herd Book (hereinafter referred to as "Shorthorns"); to promote the breeding of Shorthorns and more especially the strains thereof known as "Scotch" Shorthorns and generally to promote the interests of the breeders and owners of such cattle.
- (2) To further the above objects by collecting and verifying information of all kinds relative to Shorthorns and publishing the same by any method in the United Kingdom and elsewhere in any part of the world, and by corresponding with and affiliating Corporations, Societies, and persons in the United Kingdom and abroad interested in or professing objects similar to or connected with the objects of the Association.
- (3) To receive and apply contributions from any other Associations, Societies or persons in aid of the objects of the Association: to receive subscriptions and other payments in return for, or in consideration of, the issue of any publications of the Association, and/or the entry therein of information regarding Shorthorns, also to contract with members of the Association or of the public for the insertion of advertisements in any publications of the Association.
- (4) To promote and conduct sales and purchases of Shorthorns and that either directly, or by means of agents and/or Auctioneers instructed or employed by the Association: to make and enforce regulations for the conduct of such sales and to charge and receive commission in respect of such business.
- (5) To promote exhibitions of Shorthorns whether or not belonging to members of the Association by any means which the Association may deem expedient and if thought fit by contributing money to be awarded as prize or prizes, premium or premiums to the owner or owners, or breeders of any Shorthorn or Shorthorns selected by a Judge or Judges appointed by the Association or others, and that in Great Britain or any other part of the world: also to contribute money to be applied in giving prizes to cross-bred cattle with an infusion of Shorthorn blood.
- (6) To receive monies from any persons, Society or Company and to hold the same in trust for the objects of the Association and to raise, manage and invest funds.
- (7) To undertake the arbitrament upon and settlement of disputes between Members of the Association relating to or connected with Shorthorns.
- (8) To investigate suspicious or doubtful pedigrees of Shorthorns, and to investigate any alleged frauds, misrepresentations, and/or mal-practices relating to Shorthorns and/or to publish the results of such investigations.
- (9) To institute enquiries and to prosecute or defend legal or other proceedings relating to Shorthorns or to the Association, subject always to the laws relating to champerty and maintenance.
- (10) To purchase, take on lease, hire and acquire for the purposes of the Association, houses, lands, goods and other property, and to sell, let or otherwise dispose of the same, as may be deemed expedient with a view to the promotion of the objects of the Association.
- (11) To raise or borrow money for the purposes of the Association and to secure the same by mortgage or charge of the property of the Association or by the issue of debentures or debenture stock.
- (12) To invest and deal with any monies not for the time being required for the purposes of the Association including such investments and in such manner as may be thought fit provided that monies subject or representing property subject to the jurisdiction of the Charity Commissioners or of any authority exercising corresponding jurisdiction in Scotland shall only be invested in such securities and with sanction (if any) as may for the time being be prescribed by law.
- (13) To do all such other lawful things as are incidental or conducive to the attainment of the above objects.

ACHIEVEMENTS AND PERFORMANCE

Review of the year

The interest in the breed remains strong with top price this year of 20,000gns at Stirling in February with a strong average of £5,803. Despite the long winter females have seen a solid trade throughout the year. Registrations continue to increase, and membership numbers have risen over the year with 77 new members, all of whom now receive a welcome pack with guidance on Society's procedures and encouragement to join initiatives including performance recording, linear classifying and health scheme recording.

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Report of the Directors (cont.)

Review of the year (cont.)

The Society has maintained a presence at all major shows and events this year, including Borderway Agri-Expo and Beef Expo and thanks must go to our clubs who have again stepped up to the mark to promote the breed. The Society continues to support all regions by taking stand space at appropriate events in Club areas.

A new addition to the calendar this year was the Society's inaugural Members' Roadshow held in June at the Barwood herd in Cumbria and kindly hosted by Paul Coates. This work-shop based event drew members from as far away as Northern Ireland and Norfolk. Covering linear classification, performance recording, health scheme requirements and the Morrisons Beef Shorthorn scheme, it finished with a farm walk and a Beef Shorthorn supper and following requests from members will be repeated in 2019. Beef Shorthorn was also on the menu for the first time in our pavilion at the Great Yorkshire Show.

We were delighted to welcome our Patron, HRH The Princess Royal to the Development Day, kindly hosted by the Riby family in East Yorkshire. This event is targeted at our new and younger members and this year included a new initiative, a carcass value demonstration run by a local butcher among the workshops. As an induction to the breed and the Society this day remains very popular, with members finding the small group sessions a very workable way to have their questions answered.

Our Beef Student of the Year competition was repeated, this year with the option to make a video or podcast entry. From a strong entry five finalists were selected to give a presentation to our judges, Chris Mallon, National Director of the NBA, Dr Graeme Cooke, UK Deputy Chief Vet and Jodie Bolland of Morrisons. The winner, Henry Scholefield, a second-year student studying BSc (Hons) Agriculture at Nottingham University will go on to give a presentation in January at the British Cattle Breeders Conference. The judges commented on the students' level of commitment to understanding the beef industry and their passion and optimism for the future.

The Morrisons scheme continues to make strides and kill numbers are increasing. The spring and autumn store sales, organised by the Society and supported by Morrisons, have helped to raise awareness of the breed and Morrisons commitment to stock Beef Shorthorn in all stores continues to fuel demand for Beef Shorthorn cross store cattle.

During the year, as part of a rebranding process for the Society, new promotional material in the form of pop up display units, pull up graphic banners and new posters for stands, together with a new brochure aimed at prospective new pedigree breeders, have been produced. To save on courier costs these have been distributed through the UK for use at various events. The Society has also set up a group of commercial focus farms to collect data which can be used for further development of the breed as well as promotion. A new website is under construction and will come on line shortly after the year end.

FINANCIAL REVIEW

With regard to movement of funds, the overall surplus of income over expenditure was £86,578, with unrestricted funds at the end of the financial year of £826,937, and restricted funds of £3,100.

Reserves policy

The Directors have a Policy to maintain Unrestricted Funds equal to at least two years normal annual expenditure. The Directors do not envisage any significant changes to the Reserves Policy in the near future.

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Report of the Directors (cont.)

Investment policy

The Society maintains an investment portfolio of shares, bonds and cash in order to benefit from capital gain and to generate income. Fund Managers are appointed to manage the portfolio and invest surplus cash. The Fund Managers have discretionary powers over investment policy and stock picking. The Fund Managers submit half yearly performance reports and annual tax reports.

The investments held generated income of £19,455 in the year, which the directors consider to be satisfactory.

PLANS FOR FUTURE PERIODS

The purity of the Breed remains paramount and conditions for entry into Coates's Herd Book Beef will be kept under constant review.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charitable Status

The Society is a charitable company limited by guarantee, incorporated on 14 November, 1936. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The company is registered as a charity in Scotland.

Directors

As set out in the Articles of Association, directors are elected by the members at the AGM to serve a period of three years. Overall policy is determined by the board of directors. Day-to-day operations are the responsibility of the Secretary.

Induction and training of directors

New directors are provided with a booklet detailing their roles and responsibilities, copies of the previous annual report and accounts and previous board minutes. In addition, each has a meeting with the Secretary to discuss how the Society is run.

Risk review

The board of directors has conducted its own review of the major risks to which the organisation is exposed and systems have been established to mitigate those risks. Internal operating risks are minimised by the implementation of procedures for the authorisation of all transactions. These procedures are under constant review.

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Company Information

DIRECTORS: Geoffrey L Riby
David G Alexander
Donald J Biggar OBE
Carey D Coombs
Trevor C Brown
The Rt. Hon. Gerald Turton 'Honorary Vice President'
Major John P O Gibb 'Honorary Vice President'
Charles A Horrell
Sally A Horrell
Caroline Ivinson
Charles S Horton
Cathryn M Williamson
Tina Russell
Steven Johnson
Shona M Calder
Martin H R Reynolds
Richard Henning (appointed 01/02/18)
Mark A Holmes (resigned 31/01/18)

SECRETARY: Cathryn M Williamson

REGISTERED OFFICE: Chapelshade House
78 – 84 Bell Street
Dundee
DD1 1RQ

REGISTERED NUMBER: SC019414

REGISTERED CHARITY: SC010218

INDEPENDENT EXAMINER: Derek Grant CA
MMG Archbold CA
Chapelshade House
78 – 84 Bell Street
Dundee
DD1 1RQ

BANKERS: HSBC
133 – 135 Daventry Road
Cheylesmore
Coventry
CV3 5HD

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Report of the Directors (cont.)

Statement of Trustees' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005) and in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board and signed on its behalf by

C. M. Williamson

Cathryn Williamson - Secretary
21 November 2018

The Beef Shorthorn Cattle Society
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Independent Examiner's Report to the Trustees and Members of
The Beef Shorthorn Cattle Society

I report on the financial statements of The Beef Shorthorn Cattle Society for the year ended 31 August 2018 as set out on pages 7 to 16.

Respective responsibilities of Trustees and Independent Examiner

The Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records.

It also includes consideration of any unusual items or disclosures in the accounts and seeks explanation from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Derek Grant CA
MMG Archbold
Chartered Accountants
Chapelshade House
78 – 84 Bell Street
Dundee
DD1 1RQ

22 November 2018

The Beef Shorthorn Cattle Society
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Statement of Financial Activities
(Incorporating Income and Expenditure Account)
for the year ended 31 August 2018

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>Year to</u> <u>31.08.18</u> £	<u>Total</u> <u>Year to</u> <u>31.08.17</u> £
Income and endowments from:					
Donations and legacies	1	25,733	-	25,733	27,288
Charitable activities	2	282,693	-	282,693	268,201
Investment	3	<u>19,455</u>	-	<u>19,455</u>	<u>14,629</u>
Total income		<u>327,881</u>	-	<u>327,881</u>	<u>310,118</u>
Resources expended					
Raising funds	4	3,739	-	3,739	2,638
Charitable activities	5	<u>267,707</u>	-	<u>267,707</u>	<u>206,888</u>
Total expenditure		<u>271,446</u>	-	<u>271,446</u>	<u>209,526</u>
Net gains/(losses) on investments		<u>30,143</u>	-	<u>30,143</u>	<u>65,564</u>
Net income/(expenditure)		86,578	-	86,578	166,156
Total funds at 1 September 2017		<u>740,359</u>	<u>3,100</u>	<u>743,459</u>	<u>577,303</u>
Total funds at 31 August 2018	12	<u>826,937</u>	<u>3,100</u>	<u>830,037</u>	<u>743,459</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous periods.

The notes form part of these financial statements

The Beef Shorthorn Cattle Society
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Balance Sheet as at 31 August 2018

		<u>2018</u>			<u>2017</u>
	<u>Note</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
		<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
		£	£	£	£
Fixed Assets:					
Tangible assets	7	1,523	-	1,523	796
Investments	8	<u>692,700</u>	<u>-</u>	<u>692,700</u>	<u>586,770</u>
		<u>694,223</u>	<u>-</u>	<u>694,223</u>	<u>587,566</u>
Current Assets:	9				
Stock		1,670	-	1,670	-
Debtors		31,156	-	31,156	106,474
Cash at bank and in hand		<u>160,615</u>	<u>3,100</u>	<u>163,715</u>	<u>115,494</u>
		<u>193,441</u>	<u>3,100</u>	<u>196,541</u>	<u>221,968</u>
Creditors					
Amounts falling due within one year	10	<u>(60,727)</u>	<u>-</u>	<u>(60,727)</u>	<u>(66,075)</u>
Net Current Assets		132,714	3,100	135,814	155,893
Total funds at 31 March 2018		<u>826,937</u>	<u>3,100</u>	<u>830,037</u>	<u>743,459</u>
CAPITAL AND RESERVES					
Restricted funds:					
Capital reserve	11			<u>3,100</u>	<u>3,100</u>
				3,100	3,100
Unrestricted funds:					
General funds				<u>826,937</u>	<u>740,359</u>
Total funds				<u>830,037</u>	<u>743,459</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 August 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2017 in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for:

- a) Ensuring that the company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

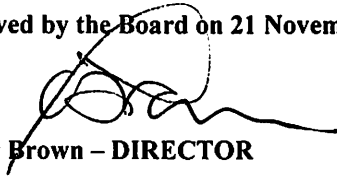
The notes form part of these financial statements

The Beef Shorthorn Cattle Society
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Balance Sheet as at 31 August 2018

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 21 November 2018 and signed on its behalf by



Trevor Brown – DIRECTOR

The notes form part of these financial statements

The Beef Shorthorn Cattle Society
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Notes to the Financial Statements
for the year ended 31 August 2018

ACCOUNTING POLICIES

The following accounting policies have been applied consistently in the current and preceding year in dealing with items which are considered material in relation to the charity's accounts.

Basis of preparation

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements have been prepared on the going concern basis. The directors consider that it is appropriate to prepare the financial statements on this basis as there are sufficient reserves carried forward and future income streams have been identified. If the company were unable to continue as a going concern, the accounts would have to be adjusted to write down assets to their recoverable amount, to provide for any additional losses or liabilities that might arise and to reclassify fixed assets as current assets.

Funds

- i) Restricted funds are funds subject to specific declaration by the donor or expendable at the discretion of the Directors in furtherance of a particular activity.
- ii) Unrestricted funds are expendable at the discretion of the Directors in furtherance of the aims of the Beef Shorthorn Cattle Society.

Status of the company

The Beef Shorthorn Cattle Society is a company limited by guarantee of its members and does not have a share capital. Each member has undertaken to contribute an amount not exceeding one pound towards any deficit arising in the event of the company being wound up.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- i) Shares donated have been recognised as a donation at market value on date of receipt through the statement of financial activities.
- ii) Investment income is included when receivable.
- iii) Subscriptions are credited to income in the period to which they relate and any deferred income is carried forward.
- iv) DNA income received for future testing programme is credited to income in the period in which it is received subject to a 14% deferral to future periods, based on the researched level of registered calves which subsequently sire progeny. This deferred income will be credited to the statement of financial activities in the period in which it is required to meet the related costs of DNA tests.

Resources expended

Expenditure is recognised on an accruals basis as a liability and is incurred and allocated between funds on a direct basis:

- i) Charitable expenditure comprised those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities as well as those of an indirect nature necessary to support them.
- ii) Costs of generating funds comprise the costs associated with management of the investment portfolio.
- iii) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

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Notes to the Financial Statements (cont.)
for the year ended 31 August 2018

ACCOUNTING POLICIES (continued)

Tangible fixed assets

Depreciation is calculated to write off the cost of the fixed assets as follows:

Cups and trophies	-	3 years
Computer equipment	-	5 years

Investments

Investments are included at market value. Realised gains and losses, representing the difference between sale proceeds and cost are dealt with in the SOFA. Unrealised gains and losses, representing the movement in the market value of investments over the financial year, or from their date of purchase if acquired during the financial year, are shown in note 8. In the case of a permanent diminution in the value of investments, provision is made in the SOFA to reduce the carrying value to the recoverable amount.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

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Notes to the Financial Statements (cont.)
for the year ended 31 August 2018

1. DONATIONS & LEGACIES

	<u>2018</u>		<u>Total</u>	<u>2017</u>
	<u>Unrestricted</u>	<u>Restricted</u>		<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£	£
Subscriptions	25,389	-	25,389	26,992
Donations	<u>344</u>	<u>-</u>	<u>344</u>	<u>296</u>
	<u>25,733</u>	<u>-</u>	<u>25,733</u>	<u>27,288</u>

Total donations and legacies in the prior year were £27,288 all of which was unrestricted.

2. CHARITABLE ACTIVITIES

Commission on levy on sales	38,333	-	38,333	37,226
Title registration fees	138,732	-	138,732	125,867
Transfer certificates	13,858	-	13,858	19,796
Herd prefixes	1,920	-	1,920	2,760
Advertising	10,169	-	10,169	14,366
DNA Tests	16,503	-	16,503	7,280
Licence and breed development fee	60,000	-	60,000	60,000
Coates Herd book	18	-	18	268
Merchandise income	609	-	609	182
Sundry receipts	<u>2,551</u>	<u>-</u>	<u>2,551</u>	<u>456</u>
	<u>282,693</u>	<u>-</u>	<u>282,693</u>	<u>268,201</u>

Charitable activities in the prior year were £268,201, all of which was unrestricted.

3. INVESTMENT INCOME

Dividend income	19,455	-	19,455	14,577
Bank interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>52</u>
	<u>19,455</u>	<u>-</u>	<u>19,455</u>	<u>14,629</u>

Investment income in the prior year was £14,629, all of which was unrestricted.

4. RAISING FUNDS

Investment manager's fees	<u>3,739</u>	<u>-</u>	<u>3,739</u>	<u>2,638</u>
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Raising funds in the prior year was £2,638, all of which was unrestricted.

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Notes to the Financial Statements (cont.)
for the year ended 31 August 2018

5. CHARITABLE ACTIVITIES	<u>2018</u>		<u>Total</u>	<u>2017</u>
	<u>Unrestricted</u>	<u>Restricted</u>		<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£	£
Management fee	41,750	-	41,750	68,216
Payroll expenses	48,858	-	48,858	3,840
Postages and telephone	2,653	-	2,653	6,585
Printing and stationery	6,608	-	6,608	4,891
Database costs	3,281	-	3,281	2,692
Subscriptions	236	-	236	528
Computer maintenance	2,415	-	2,415	1,800
Professional fees	2,873	-	2,873	4,924
Advertising	24,245	-	24,245	19,659
Publicity	13,687	-	13,687	18,960
Shows and events	30,422	-	30,422	22,014
Travel expenses	2,824	-	2,824	7,588
Annual Dinner deficit	691	-	691	1,074
Breed secretary expenses	4,188	-	4,188	-
Insurance	2,235	-	2,235	1,697
Bank charges	678	-	678	1,017
Miscellaneous	1,219	-	1,219	3,104
DNA testing	16,092	-	16,092	-
NBDC	17,296	-	17,296	8,071
Doug Dear Project	807	-	807	-
Coates Herd Book	550	-	550	458
Journal	19,156	-	19,156	18,900
Admin and accountancy consultancy	1,950	-	1,950	-
Depreciation	430	-	430	199
Loss on disposal of assets	-	-	-	133
Systems audit fee	5,600	-	5,600	-
Young Development expenses	-	-	-	600
Young Beef Farmer Award	3,160	-	3,160	2,064
Website development costs	1,996	-	1,996	-
Accountancy and bookkeeping	5,767	-	5,767	3,132
Independent examiners fee	2,175	-	2,175	2,600
Meeting expenses	3,865	-	3,865	-
Recruitment costs	-	-	-	2,142
	<u>267,707</u>	<u>-</u>	<u>267,707</u>	<u>206,888</u>

Resources expended in the prior year was £206,888, all of which was unrestricted.

No directors' remuneration was paid for the year ended 31 August 2018 nor for the year ended 31 August 2017. Travel expenses totalling £2,032 were paid to seven directors for the year ended 31 August 2018 (2017 - £1,561).

The average weekly number of employees during the year was as follows:-

	<u>2018</u>	<u>2017</u>
Directors	17	17
Employees	<u>1</u>	<u>-</u>
Total	<u>18</u>	<u>17</u>

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Notes to the Financial Statements (cont.)
for the year ended 31 August 2018

6. **TAXATION**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2018 nor for the year ended 31 August 2017.

7. **TANGIBLE FIXED ASSETS**

	<u>Cups & Trophies</u>	<u>Computer Equipment</u>	<u>Total</u>
	£	£	£
COST			
As at 1 September 2017	2,532	995	3,527
Additions	-	1,157	1,157
Disposals	-	-	-
As at 31 August 2018	<u>2,532</u>	<u>2,152</u>	<u>4,684</u>
DEPRECIATION			
As at 1 September 2017	2,532	199	2,731
Charge for year	-	430	430
On disposal	-	-	-
As at 31 August 2018	<u>2,532</u>	<u>629</u>	<u>3,161</u>
NET BOOK VALUE			
As at 31 August 2018	<u>-</u>	<u>1,523</u>	<u>1,523</u>
As at 31 August 2017	<u>-</u>	<u>796</u>	<u>796</u>

Tangible fixed assets in the prior year were £796, all of which was unrestricted.

8. **INVESTMENTS**

	£
Cost at 1 September 2017	353,219
Unrealised appreciation	<u>233,551</u>
Market value at 1 September 2017	586,770
Additions at cost	166,723
Disposals at cost	(53,677)
Decrease in unrealised appreciation	<u>(7,116)</u>
Market value at 31 August 2018	<u>692,700</u>

Analysis of Listed Investments

	<u>Market value 2018</u>	<u>Market value 2017</u>
	£	£
UK Equities	489,813	429,661
Overseas Equities	97,027	57,365
Overseas Bonds	<u>105,860</u>	<u>99,744</u>
	<u>692,700</u>	<u>586,770</u>

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Notes to the Financial Statements (cont.)
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8. **INVESTMENTS (cont.)**

	<u>2018</u>		<u>Total</u> <u>Funds</u> £	<u>2017</u> <u>Total</u> <u>Funds</u> £
	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £		
	Gain on realisation of investment assets	37,259		-
(Decrease) / Increase in unrealised appreciation	<u>(7,116)</u>	<u>-</u>	<u>(7,116)</u>	<u>62,458</u>
	<u>30,143</u>	<u>-</u>	<u>30,143</u>	<u>65,564</u>

The directors consider individual investment holdings in excess of 5% of the portfolio value to be material.

Material interest

Market
value
2018
£

Scottish Mortgage and Investment Trust

43,361

Investments in the prior year were £586,770, all of which was unrestricted.

9. **CURRENT ASSETS**

Debtors	<u>2018</u> £	<u>2017</u> £
Trade debtors	21,680	98,740
Other debtors	<u>9,476</u>	<u>7,734</u>
	<u>31,156</u>	<u>106,474</u>

Debtors in the prior year were £106,474, all of which was unrestricted.

Stock

Stock in the prior year was £Nil.

Cash at bank

Cash at bank and in hand in the prior year was £115,494 of which £112,394 was unrestricted and £3,100 was restricted.

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Notes to the Financial Statements (cont.)
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**10. CREDITORS: AMOUNTS FALLING DUE
 WITHIN ONE YEAR**

	<u>2018</u>	<u>2017</u>
	£	£
Trade creditors	21,810	-
Accrued expenses	19,325	32,212
VAT	9,016	14,752
Social security	2,046	1,107
Income in advance - other	<u>8,530</u>	<u>18,004</u>
	<u>60,727</u>	<u>66,075</u>

Current liabilities in the prior year were £66,075, all of which was unrestricted.

11. CAPITAL RESERVE

	<u>2018</u>	<u>2017</u>
	£	£
Brought forward	<u>3,100</u>	<u>3,100</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£
Tangible assets	1,523	-	1,523
Investments	692,700	-	692,700
Current assets	193,441	3,100	196,541
Current liabilities	<u>(60,727)</u>	<u>-</u>	<u>(60,727)</u>
	<u>826,937</u>	<u>3,100</u>	<u>830,037</u>

13. RELATED PARTY TRANSACTIONS

The company has received income totalling £25,360 (2017 - £15,809) from trustees during the year.

14. VOLUNTEERS

The society is fortunate to have a board of directors who support its activities on a voluntary basis. In addition the society has several clubs situated around the country with members who are passionate about promoting the breed, attend local shows and organise regional competitions/events.